market since Pakistan, Indonesia and Nigeria have started giving attractive incentives for finished leather exproters; and

(d) whether it is a fact that the Indian leather goods industry does not have the capacity to absorb all the finished leather produced in the country; if so, what steps Government contemplate to improve the capacity of absorption?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHM DUTT): (a) Yes, Sir.

(b) A concerted programme devised for increase in exports of leather and leather products includes steady upgradation of leather industry for export of value added products in order to maximise foreign exchange earnings. Easy availability of machines and equipment, components and consumables and other inputs for export production, liberal policy regime, improvement of infrastructure including skills of artisans and the necessary market development are the main ingredients of this programme.

(c) and (d) A healthy balance among different segments of the leather industry is aimed at in the best interests of the economy. While ensuring adequate availability of leather at reasonable prices for leather products manufacturers for export production, it is also kept in view that export of finished leather from the country does not suffer only on this account. It is on account of constant representation from leather industry about shortage of raw material that Government has permitted duty free import of not only semi-processed leather but even finished bovine leather. Indian finished leather has been reported to be competitive in terms of both quality and price. Higher incentives offered for export of value added products in this sector would further help export of manufactures from the country.

Promotion of Jute Export

228. SHRI VALAMPURI JOHN : Will the Minister of TEXTILES be pleased to state:

(a) whether there is any scheme to promote jute export through effective utilisation of a part of the cess collected by the Jute Manufacturing Development Corporation; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b) The Jute Manufactures Development Council Act, 1983 and the Jute Manufactures Cess Act, 1983 envisage use of jute cess funds for export promotion, research and development activities etc. for the jute manufactures. The Government has been allocating funds to the JMDC for such activities from time to time. A Committee has also been constituted, under the Chairmanship of Jute Commissioner, for utilisation of jute cess fund for export promotion purposes.

Implementation of Pay Commission Report

229. SHRI VALAMPURI JOHN: Will the Minister of FINANCE be pleased to state:

(a) whether there are demands from various employees' unions for giving retrospective effect to the recommendations of the Fourth Central Pay Commission from the date of payment of second interim relief as the employees should not be penalised for the delay in the submission of the Report by the Commission;

(b) whether there is any proposal for giving effect from January, 1986 at least; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B. K. GADHVI) : (a) to (c) The Fourth Central Pay Commission have stated that it would be administratively convenient to give the benefit of the scales of pay recommended by them from the beginning of the current financial year.

The Government have constituted an Empowered Committee of Secretaries